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**Creating Your Own Personal Budget   
Semester Project**

Throughout the semester you will learn how to create your own personal budget to live off. This is no simulation, you will not be given a scenario and you will not have any expenses given to you. You will first analyze your income and track your expenses to give you an idea of where you need to allocate all of your resources. This is a staggered project and will be due throughout the semester. It is imperative that you follow the outline below and each step to adequately complete the project.

**Part 1 – Analyze Your Expenses and Income.**

Each month you will be required to track your income and all of your expenses. By doing so you will start to analyze where you spend your money and determine whether or not you’re not you are spending it wisely. After the first month you will decide where you will allocate your money. It is easiest keep all receipts from every transaction that you do including deposit slips, debit and cash card transactions etc., as you will need to record specific amounts, down to the cent. Using the attached worksheets you will list each and classify each expense. Even if you don’t pay all of your expenses, you may want to include them as you will someday have to pay for them yourself (example: cell phone, gas, car plates, etc)

**Part 2 – Create Your Personal Budget**

After you have kept track for this first month (October), we will now look at your results and use them to create your budget. You will categorize your transactions and allocate certain amounts to them. You **must** also include a savings column as well. It is up to you how much you want to save but it should be realistic (it is advised to save at least 10% of income).

**Part 3 – Monthly Analysis and Adjustments**

At the end of each month you will provide a written analysis of your budget and track your budget. As you did with your first month, you will continue for each month. The only difference is you will have to manage each category and apply your expenses appropriately based on the budget you created. You will then summarize how you felt that you did each month, identify how you may have gone over budget in certain areas and why. You will then prepare your budget for the next month and adjust any accounts that you think may be necessary as you predict larger expenses in other accounts. Your savings should always stay consistent and your adjustments should come from other areas.

**Part 4 – Final Summary**

At the end of the summary you will tabulate all of your expenses, income and savings. You will reflect on the whole experience and identify whether or not it was rewarding, how you will continue to use this method in the future or what you would do differently. It is the final reflection of your financial position and your general feelings of the whole process.

**Tracking Sheet**

Using the sheet below, list your **income and expenses** and **classify** each. To classify, use the legend below and create any additional categories that you think you will use regularly.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Food 12-20% | F | Entertainment 4-6% | E |  |  |
| Trans./Vehicle 10 % | TV | Clothing 4-7% | C |  |  |
| Charities/Gifts 5-10% | C | Savings 10-20% | S |  |  |
| Medical/Make-Up/Hygiene 3-5% | M | Debt 8-18% | D |  |  |

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| --- | --- | --- | --- | --- | --- | --- |
| **MONTH: October 2017** | | | | | | |
| **Date:** | **I** | **E** | **Description** | **Amount** | **Category** | **Account Balance** |
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**Monthly Summary: October 2017**

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| Total Income: |  | | Total Expenses: | |  |
| Net Income: |  | | Total Savings | |  |
| **Percentage Calculations: Take total amount spent in each category and divide by your income**. | | | | | |
| **Category** | | **Amount Spent** | | **Percentage (amount/income)** | |
| Food: | |  | |  | |
| Transportation: | |  | |  | |
| Charitable/Gifts: | |  | |  | |
| Medical/Make-Up/Hygiene: | |  | |  | |
| Entertainment: | |  | |  | |
| Clothing: | |  | |  | |
| Debt: | |  | |  | |
| Savings: | |  | |  | |
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**Summary: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

After we have tracked all of your expenses for the first month you will have to create an actual budget. Using the sheet below, you will project what you will spend your income on, and how much in each column. You must save a minimum of 10-20%! No questions asked. You can distribute the remainder of your income in any column you may wish.

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|  | **Month 1** | | **Month 2** | | **Month 3** | | **Month 4** | |
|  | **Projected** | **Actual** | **Projected** | **Actual** | **Projected** | **Actual** | **Projected** | **Actual** |
| Income: |  |  |  |  |  |  |  |  |
| Food: |  |  |  |  |  |  |  |  |
| Transportation: |  |  |  |  |  |  |  |  |
| Charitable/Gifts: |  |  |  |  |  |  |  |  |
| Medical/Make-Up/ Hygiene: |  |  |  |  |  |  |  |  |
| Entertainment: |  |  |  |  |  |  |  |  |
| Clothing: |  |  |  |  |  |  |  |  |
| Debt: |  |  |  |  |  |  |  |  |
| Savings: |  |  |  |  |  |  |  |  |
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